

ECONOMIC DEVELOPMENT

Town of Eastham Goals and Performance Standards

The Cape Cod Commission, through its Regional Policy Plan for Barnstable County, has established overall planning goals and minimum performance standards for Economic Development. Eastham's goals are consistent with the Regional Policy Plan.

- 3.1. Goal:** To promote businesses compatible with Eastham's environmental, cultural, and economic strengths in order to ensure balanced economic development.

Minimum Performance Standard

- 3.1.1. Commercial/Industrial Developments of Regional Impact applicants shall be responsible for providing economic data. The Commission will evaluate the economic impacts of proposed developments, taking into account net job creation, fiscal impact, employee benefits, housing needs, and services and/or products provided. The Commission will consider any negative or positive impacts that a project may have on the Cape Cod economy.

Other Development Review Policies

- 3.1.2. The Commission recognizes the important role of private enterprise in maintaining and enhancing sound local and regional economies, and in providing needed services to the Cape's population. Market forces should determine the nature of new businesses or business expansion on Cape Cod, provided that the environmental and planning standards of the Regional Policy Plan are adequately addressed.
- 3.1.3. The Commission should evaluate the economic impacts of proposed developments, taking into account net job creation and services and/or products provided. The Commission should take into account any negative impacts that a project would have on the Cape Cod economy and should encourage businesses that are locally owned and that employ Cape Cod residents.
- 3.1.4. Technology and office businesses should be encouraged to locate in Growth/Activity Centers and Growth Incentive Zones.
- 3.1.5. Economic activities that create livable-wage jobs, target opportunities in high-value knowledge-based sectors, or involve traditional resource-based or cultural sectors should be encouraged. Potentially desirable opportunities include but are not limited to marine science, "clean" manufacturing, business services, environmentally oriented business, technology, telecommunications, shellfishing, aquaculture, finfishing, agriculture, health and elder care, social services, cultural activities, education, and enterprises that provide transportation solutions.

- 3.1.6. Development and redevelopment should encourage tourism and other activities that enhance the natural and cultural qualities of Cape Cod. Such activities include but are not limited to museums, art, theater, music and natural recreation areas.
- 3.1.7. Development and redevelopment should encourage the development of local businesses that can be integrated into the community without adverse impacts on Cape Cod resources. Such activities include but are not limited to consulting, direct-mail business, home-based business, arts, and crafts.
- 3.1.8. Development and redevelopment should encourage the reuse and rehabilitation of existing buildings for residential, industrial, and commercial growth, consistent with preserving the Cape's natural environment and historic character.
- 3.1.9. Development and redevelopment that increases the availability of and access to health and community services in Barnstable County should be encouraged.
- 3.1.10. Gambling casinos or casino boats on Cape Cod should be discouraged because casinos produce stresses on the region's environment, the limited transportation infrastructure, and economy.
- 3.2. Goal:** To locate development so as to preserve Eastham's environment and cultural heritage, minimize adverse impacts, and enhance the quality of life.

Minimum Performance Standards

- 3.2.1. As specified in other sections of the Regional Policy Plan, the following incentives shall be provided to encourage development and redevelopment to locate in certified Growth/Activity Centers:

The nitrogen standard for groundwater may be increased to 10ppm where such increase will cause no significant adverse impact on specified identified resources.

DRIs located within Growth/Activity Centers shall be allowed to reduce their estimated trip generation by 10% for the purposes of calculating their mitigation requirements.

Public and private sewage treatment facilities may be used.

New development within certified Growth/Activity Centers is required to provide open space at a proportion of 3:2 development to open space (see Minimum Performance Standard 2.5.1.3), less than that required in areas outside of certified Growth/Activity Centers.

Other Development Review Policies

- 3.2.2. Development and redevelopment should be concentrated in certified Growth/Activity Centers and Growth Incentive Zones in order to use land more efficiently; create places more oriented to pedestrians, bicyclists, and public transit; preserve open space, maintain the Cape's attractiveness; and create a mix of residential, work, and shopping uses for residents and visitors. It will be considered a benefit if a business locates in a Growth/Activity Center or Growth Incentive Zone.
- 3.2.3. Village Growth/Activity Centers should be maintained and restored by concentrating small-scale retail, office, housing, and community activities in these areas.
- 3.2.4. Large-scale commercial activities should be concentrated in regional Growth/Activity Centers or Growth Incentive Zones where adequate infrastructure is available.
- 3.2.5. Manufacturing and warehousing business activities should be concentrated in industrial Growth/Activity Centers.
- 3.2.6. Redesign, revitalization, and infill of existing strip developments should be encouraged where adequate infrastructure is available.
- 3.2.7. Resource-based economically productive areas including agricultural land, harbors, fishing grounds, and recreational areas should be reserved specifically for those uses.
- 3.3. Goal:** To encourage the creation and diversification of year-round employment opportunities.

Development Review Policies

- 3.3.1. Development and redevelopment projects should provide permanent, well-paying, year-round jobs, health, retirement and other benefits, employment training opportunities, and enhanced career-path opportunities for Cape Cod residents.
- 3.3.2. Development and redevelopment projects should be evaluated for net new jobs created, salary and benefit levels, occupational advancement opportunities for local workers, and the impact on existing businesses, traffic, natural resources, and affordable housing for employees. Minimum Performance Standard 5.3.1 of the Regional Policy Plan requires that nonresidential developments shall be evaluated as to the need for affordable housing created by the project. Any financial support for job training/education and/or affordable housing for workers will be considered a benefit.
- 3.3.3. Development and redevelopment projects should employ Cape Cod contractors and use local suppliers and workers. Project applicants should provide information describing the number of Cape Cod workers and contractors who worked on the project within three months from completion of the project.

3.3.4 Development and redevelopment projects should hire minority and women contractors listed with the State Office of Minority and Women's Business Assistance, and employ minorities, disabled, elderly, unemployed and under-employed persons in permanent positions. The employment of residents of Cape Cod in these positions will be considered a benefit.

3.4. Goal: To promote economic development that enhances Eastham's semi-rural character and protects its natural and historic resources.

Existing Conditions

The 1969 Comprehensive Plan noted that in 1966 forty-four (44) businesses existed in Eastham and the construction industry was the largest business sector, and accounted for almost half of all employment. Small business along with tourism has accounted for the majority of Eastham's economic health.

The Town Clerk estimates the town issued 296 business licenses in 2001, the majority if which were for home occupations which employed three or fewer persons. Table 15 shows employment rates and household income, total labor force 1999-2001 and household income for 2000.

Table 15: Employment Rates (1999-2001) and Household Income (2000)

	<u>1999</u>	<u>2000</u>	<u>2001</u>
Total Labor Force	2,629	2,620	2,661
Number Employed	2,519	2,519	2,541
Number Unemployed	110	101	120
Unemployment Rate	4.2	3.9	4.5
Income per capita		24,642	
Median Income per household		42,618	
Median Family income		51,269	

Source: U. S. Census, Comm. Of Mass. DET

This table confirms the stable or modest growth of the labor force.

Table 16 shows unemployment rates have declined since the high of 217 persons in 1991 to a 2001 low of 106. Certainly Eastham is not immune to the impacts of events on the world stage and September 11 events caused a significant downturn in the economy. Unemployment rates on the Cape were affected, but that effect was mitigated by the anticipated "end of season" downturn. Expectations are that Americans are traveling closer to home, and the Cape economy, and Eastham is expected to see the positive impact in local revenues based on increased rates of tourism.

The size of the labor force in Eastham has maintained a steady growth of 40-60 persons per year between 1990 and 2001, with the exception of 1990-1992 when there was a labor force reduction of 39 persons, and 1999-2000 when the number was nearly static with a decrease of 15.

Table 16: Annual Average Employment Statistics 1990-2001

Year	Total Labor Force	Number Employed	Number Unemployed	Unemployment Rate (%)
2001	2,679	2,573	106	4.0
2000	2,614	2,512	102	3.9
1999	2,629	2,519	110	4.2
1998	2,558	2,431	127	5.0
1997	2,524	2,378	146	5.8
1996	2,458	2,325	133	5.4
1995	2,442	2,280	162	6.6
1994	2,362	2,182	180	7.6
1993	2,338	2,145	193	8.3
1992	2,291	2,077	214	9.3
1991	2,306	2,089	217	9.4
1990	2,330	2,199	131	5.6

The labor force is concentrated in tourist, service related jobs and construction, and most work in Eastham or within a ten (10) mile radius of Town, with the majority working in Eastham and Orleans; others work in Barnstable and off-Cape. This pattern of employment by “place of work” and “place of residence” illustrates the strong socio-economic dimension of regionalism in the County. Additionally, self-employment accounts for fourteen and one-half (14.5) percent of the Eastham workforce.

Today, the largest employer in Eastham is local government. There are approximately sixty (60) full-time Town employees and twenty-five (25) part-timers. Other major year-round employers in Town include the Nauset Regional Public Schools, the Cape Cod National Seashore and the Sheraton Ocean Park Inn.

Business in Eastham

Eastham's economic environment is dominated by the revenues it generates as a national and international seasonal vacation destination. Eastham is the gateway to the Cape Cod National Seashore and therefore is a popular tourist destination. The service, trade and construction industries, which all benefit from and rely on this seasonal tourist base, make up almost eighty-four (84) percent of all business in Town. This also confirms the strong self-employment sector of Eastham economy. A glance at the business licenses issued in 2002, confirms this business mix.

Table 17: Business Licenses Issued By Eastham

License Type	Number of Licenses
Antiques	5
Automotive (Sales and Repair)	5
Gas Stations	5
Restaurants	17
Bed & Breakfasts	8
Cottages & Inns	30
Campground	1
Carpentry	12
Construction	27
Beauty Shops/Barbers	5
Attorney	1
Computer Services	6
Forge	1
Motels	9
Moving/Storage	1
Shellfish Operators	3
Landscapers	9
Retail Shops	48
Real Estate	14
Personal Professional-Massage Therapy-fitness	9
Limousine Service	6
General Stores & Package Stores	5
Manufacturing Company	1
Fitness Center	1
Professional/Security, Plumbers, Electricians, Painters, Pottery	34
Nursery	1
Trucking Company	2
Veterinarians	2
Recreation Facility	1
Misc./Storage-party/home care	27
TOTAL:	296

Source: Town of Eastham, Town Clerk's Office, 2002

Table 18: Municipal Property Tax Rates in Selected Barnstable County Towns
Fiscal Years 1995 Through 2002

Town	1995	1996	1997	1998	1999	2000	2001	Percent Increase	2002
								1995-2001	
Brewster	\$12.98	\$12.97	\$13.10	\$12.84	\$13.20	\$11.92	\$11.08	-15%	\$10.69
Eastham	\$10.60	\$11.05	\$11.57	\$11.64	\$11.65	\$11.71	\$8.4	-21%	\$9.20
Harwich	\$11.20	\$11.64	\$11.80	\$11.70	\$11.70	\$11.70	\$9.66	-14%	\$8.90
Orleans	\$9.72	\$9.85	\$9.81	\$9.55	\$8.44	\$8.46	\$6.54	-33%	\$5.36
Provincetown	\$11.65	\$11.98	\$11.40	\$11.58	\$9.90	\$8.55	\$7.42	-36%	NA
Truro	\$6.76	\$6.92	\$7.20	\$7.78	\$7.60	\$7.40	\$7.96	+18%	NA
Wellfleet	\$8.30	\$8.33	\$8.67	\$9.14	\$9.14	\$9.43	\$6.82	-18%	\$6.93
AVERAGE	\$10.17	\$10.39	\$10.51	\$10.60	\$10.23	\$9.88	\$8.27	-19%	\$8.22

Source: Massachusetts Department of Revenue - Division of Local Services - Municipal Data Bank - Local Aid Section

Eastham's tax rate from 1995 to 2002 remained above the average with other comparable Barnstable County towns, but is significantly lower than the State and County averages.

The average tax bill for single-family homes in Eastham has remained below the State and Barnstable county median, as shown in Table 19.

Table 19: Average Tax Bills of Single-Family Homes in Selected Barnstable County Towns-Fiscal Years 1996 Through 2002

TOWN	<u>1996</u>		<u>1998</u>		<u>2000</u>		<u>2001</u>		<u>2002</u>	
	Rank	Avg Bill	Rank	Avg Bill	Rank	Avg Bill	Rank	Avg Bill	Rank	Avg Bill
Brewster	175	\$1,993	197	\$2,074	209	\$2,071	214	\$2,155	229	\$2,233
Eastham	258	\$1,579	261	\$1,694	276	\$1,720	297	\$1,681	283	\$1,853
Harwich	194	\$1,829	207	\$1,933	228	\$1,960	204	\$2,210	184	\$2,495
Orleans	120	\$2,199	162	\$2,180	182	\$2,250	161	\$2,478	167	\$2,583
Provincetown	161	\$2,013	149	\$2,223	135	\$2,490	146	\$2,544	NA	NA
Truro	244	\$1,619	231	\$1,816	202	\$2,128	190	\$2,295	NA	NA
Wellfleet	244	\$1,552	248	\$1,749	251	\$1,837	249	\$1,948	240	\$2,166
State Median		\$2,121		\$2,121		\$2,297		\$2,418		
B.C. Median		\$1,983		\$1,983		\$2,128		\$2,210		
Median (Sub-group)	194	\$1,829	207	\$1,933	209	\$2,071	204	\$2,210		

NA=Not available

Source: Massachusetts Department of Revenue - Div. of local Services - Municipal Data Bank - Local Aid Section

Eastham's average tax bill for the period 1996-2002 is slightly above the bottom quartile. This ranking speaks well of the cost to the average property owner of services in Eastham.

The equalized valuation of all property in Eastham increased by 1.21 times from 1994 to 2000, or about par with the Barnstable County average for that same period, as shown on Table 20.

Table 20: Municipal Equalized Valuations (\$000) in Selected Barnstable County Towns 1994 - 2000

Municipality	1994	1996	1998	2000	% Increase 1994 - 2000
Brewster	1,084,523	1,129,522	1,199,121	1,427,451	32%
Eastham	858,341	862,681	879,450	1,036,048	21%
Harwich	1,594,173	1,626,185	1,774,872	2,105,331	32%
Orleans	1,153,973	1,186,891	1,311,649	1,569,517	36%
Provincetown	577,300	588,631	718,181	986,316	71%
Truro	583,948	600,003	646,740	780,283	34%
Wellfleet	682,535	703,867	765,330	870,896	28%
County	25,107,549	25,286,490	27,342,222	32,139,914	28%

Source: Massachusetts Department of Revenue - Division of Local Services - Municipal Data Bank - Local Aid Section

There are one hundred and twenty-seven (127) tax-exempt properties encompassing over six hundred and forty three (643+) acres in Eastham. These properties include State, Town and non-profit lands. In addition, the Cape Cod National Seashore property covers approximately three thousand (3,000) acres that are tax exempt. Together, this represents a substantial thirty-six hundred and forty-three (3,643+) acres, or forty (40) percent of the land in Eastham, which is non-taxable and generate little in terms of payments in lieu of.

Analysis

The Town of Eastham has no defined growth center. Route 6, with its existing sprawl of commercial and residential development, has replaced the small villages that existed half a century ago. Orleans, as the regional growth center for the lower Cape, suffices as the commercial center for Eastham's residents.

Infrastructure limitations such as roadway capacity and a lack of town water may limit the ability of the Town to support significantly more development. Constraints and the Town's location on the Lower Cape, Eastham will continue to rely on residential property for the bulk of its tax base.

In order to increase diversified business activity meeting the needs of the community and consistent with the overall desire to maintain the natural environment, "clean industry" may be encouraged on selected sites with available infrastructure.

The increase in telecommuting Cape-wide indicates that telecommuting technologies, including the Internet, have matured to the point that they are available to potentially large numbers of workers. Telecommuting may allow Eastham residents, who have traditionally been constrained by their geographic isolation, to do business in a global marketplace. However, delays in providing Outer Cape residents and businesses with new telecommunications services, ranging from ISDN lines to the value-added services offered by the latest digital technology, limits their potential for Eastham residents. The town continues to push the cable and telephone companies to provide low cost universal high-speed Internet service to residences and businesses in Eastham. Compliance has been slow.

Implementation

Regional/County Actions:

Coordination

- A. The Cape Cod Commission's Economic Development program and the Cape Cod Economic Development Council (CCEDC) will coordinate their policies and activities to create a synergistic effort at improving the region's economy while addressing its unique challenges.
- B. The Commission will work with local permitting agencies to coordinate and streamline the development review process to minimize delays.

Targeted Sectors

- C. The Commission and Economic Development Council will work with local governments and business organizations to create strategies for developing the following economic sectors, that have potential to expand Cape markets and create more year-round jobs; marine science, environmental research and technology, biotechnology, software, telecommunications, "clean" manufacturing, financial services, tourism, retirement, and health care and elder services. The CCEDC will give special attention to encouraging education as an industry.

Planning, Marketing, and Information Dissemination

- D. The Commission will work with towns and local industrial park authorities to resolve environmental and planning issues in order to expedite the development and marketing of these parks. This could include industrial pre-screening, development agreements, or District of Critical Concern designations to streamline the development review process. The Commission will maintain information concerning available developable property in industrial parks and other industrially zoned areas.
- E. The Commission will support cultural and heritage activities such as the Heritage Discovery Network and Marine Heritage Program.

- F. The Commission will continue to work with local chambers of commerce, tourist attractions, historians, environmentalists, public relations experts, and other knowledgeable individuals to strengthen the heritage tourism initiative and to publicize the environmental, historical, and cultural attractions of Cape Cod.
- G. The Economic Development Council and the Commission will work with interested parties to promote Cape Cod as a retirement community.
- H. The Commission will research and disseminate information concerning the telecommunications infrastructure and policy needs in order to make Cape Cod a competitive place for businesses and individuals.
- I. The Commission will research and disseminate information concerning the economy and demographics of Cape Cod. These research activities will include interpreting data from the US Census, state and local agencies, private organizations, and businesses. Such materials will be made available to towns, businesspersons, the media, and interested individuals through periodic publications, such as “Cape Trends,” and responses to individual inquiries.

Education and Technical Assistance

- J. The Commission will work with towns, county government, businesses, and nonprofit organizations as a technical resource for economic development planning, including through Local Comprehensive Plans (LCP).
- K. The Commission and Cape Cod Economic Development Council will sponsor conferences and workshops on the Cape Cod economy and strategies for improving it.
- L. The Economic Development Council will support the efforts of the business sector and educational and training institutions to prepare local workers for and refer them to new job opportunities with special attention to disabled, elderly, minorities, and unemployed and under-employed persons. The Cape Cod Economic Development Council will pursue initiatives to develop a technologically literate workforce.
- M. The Commission and Cape Cod Economic Development Council will support the development of expanded higher education, specifically a four-year college/graduate school, and vocational programs on Cape Cod in order to enhance opportunities and upgrade job skills.
- N. The Commission and the Cape Cod Economic Development Council will encourage the recruitment and training of underemployed residents who desire to work, such as retired persons, so as to reduce off-Cape recruitment.

Recommended Town Actions

- A. In preparing the Local Comprehensive Plans (LCP), meet with businesses and business organizations to ascertain economic development needs in the community.
- B. Create regulations that provide incentives for businesses to locate in compact mixed-use centers.
- C. Work with the private sector including the Chamber of Commerce to identify and develop entrepreneurial and business activities compatible with towns' existing strengths and resources.
- D. Continue to capitalize on the economy generated by tourism, to stimulate additional year-round employment, and to maintain the natural environment that attracts most people to Eastham, the following recommendations are suggested:
- E. Prepare and take steps to deal with traffic issues at the Brackett Road/Route 6 area. Measures to promote and facilitate use of public transportation, additional landscaping, parking, lighting, appropriate signage and other amenities to help maintain and stimulate the economic viability of these areas, will be encouraged.
- F. Promote with particular attention to increasing "off-season" activity, including Windmill Weekend and the fall foliage period.
- G. Through the Planning Board should develop design standards for commercial areas, including undergrounding of utilities, to maintain the semi-rural characteristics of Eastham and enhance the environment. The Town may draw upon the Cape Cod Commission's Designing the Future to Honor the Past as a guide.
- H. Actively support efforts to obtain frequent, affordable, year-round express bus service along Route 6 to enable Eastham residents without access to a car to work in other towns on Cape Cod and off-Cape.
- I. Augment performance standards for business and industrial areas to include such items as lighting, surface treatment, erosion, noise, water and air pollution. Home occupations should have their own standards, which maintain the appearance of residential areas yet allow compatible business activities.
- J. Encourage the use of the home as a business (home occupation), such as telecommuting and direct mail. The Town should participate in regional efforts to underground electrical utilities, upgrade services more rapidly, and insist on higher standards of reliability from electrical utilities. These improvements would allow for the uninterrupted delivery of electrical power to facilitate the potential for telecommuting and distance education through the Internet.

- K. Request the Eastham Chamber of Commerce to act as the responsible agency to represent Eastham before the Cape Cod Economic Development Council for the purpose of identifying a small, "clean" industrial firm that would consider locating in Eastham.
 - L. With the Chamber of Commerce, cooperate in periodic surveys of local businesses to learn about business issues and impediments to economic development.
 - M. Develop a pedestrian walkway system in local business centers to encourage small-scale boutique commercial development.
 - N. Develop a feeder bicycle path system to support bicycle commuting to shop, work sites and the post office.
- See "Economic Development" in Implementation section.